UNITED
NATIONS

E

Economic and Social
Council

Distr.
GENERAL

E/C.12/1994/SR.35
29 November 1994

Original: ENGLISH

COMMITTEE ON ECONOMIC, SOCIAL AND CULTURAL RIGHTS

Eleventh session

SUMMARY RECORD OF THE 35th MEETING

Held at the Palais des Nations, Geneva,
on Thursday, 24 November 1994, at 10 a.m.

Chairperson: Mr. ALVAREZ VITA

CONTENTS

Consideration of reports (continued)

(a) Reports submitted by States parties in accordance with articles 16 and 17 of the Covenant

Argentina (continued)

This record is subject to correction.

Corrections should be submitted in one of the working languages. They should be set forth in a memorandum and also incorporated in a copy of the record. They should be sent within one week of the date of this document to the Official Records Editing Section, room E.4108, Palais des Nations, Geneva.

Any corrections to the records of the meetings of the Committee at this session will be consolidated in a single corrigendum, to be issued shortly after the end of the session.

GE.94-70208 (E)

The meeting was called to order at 10.20 a.m.

CONSIDERATION OF REPORTS (agenda item 4) (continued)

(a) REPORTS SUBMITTED BY STATES PARTIES IN ACCORDANCE WITH ARTICLES 16 AND 17 OF THE COVENANT

Argentina (continued) (E/1990/5/Add.18; E/C.12/1994/WP.10)

1. At the invitation of the Chairperson, Mr. Sanchez Arnan, Mr. Paz and Miss Tosonotti (Argentina) took places at the Committee table.

2. Mr. SANCHEZ ARNAU (Argentina), replying to a question put by Mr. Alvarez Vita, confirmed that Argentina had signed the Protocol of San Salvador, which was now in the process of ratification. Only Panama and Suriname had so far ratified the Protocol.

3. In reply to Mrs. Jiménez Butragueño, he said that the life expectancy of women in Argentina in 1994 was 74.6 years, 10 per cent higher than for men. Attendance at primary school level by females was 1 per cent higher than for males, and at secondary school level 9 per cent higher than for males. There were 17 per cent more women in higher education than men. Women accounted for 39 per cent of the labour force. That data came from Women in development, a UNDP report which, however, contained some statistical errors, for instance concerning the per capita income, which was not $5,120 per annum but $7,800.

4. According to the same report, the calorie intake was 30 per cent above basic requirements, at 3,070 calories per person per day. Only 0.4 per cent of food was imported.

5. Turning to article 11 of the Convention, he said that according to the most recent census, that taken in 1991, there was a shortage of 750,441 housing units, which suggested that less than 10 per cent of the population, or some three million people, were affected. There was a shortage of 390,000 housing units in Buenos Aires and its province; elsewhere the problem was less acute. The housing crisis was caused by high inflation, the outflow of capital, inadequate savings, and a lack of long-term housing finance at reasonable rates. Moreover, the fact that rents had long been indexed at a rate lower than inflation was a disincentive to landlords.

6. In 1977 the State had therefore decided to channel housing construction through the National Housing Fund (FONAVI). Low-cost housing was built to meet minimum needs but in most cases was very expensive. Following the establishment of a constitutional Government in the 1980s, a large-scale housing programme had been set up with financing of $300 million from the World Bank, one of whose conditions was that the unit cost of housing should be brought down. The National Housing Fund and the National Mortgage Bank continued to finance the housing sector but were given very limited funds by the National Bank.

7. Replying to Mrs. Bonoan-Dandan's question about repayments, he explained that during the periods of high inflation the repayment rate had been very low, and 86 per cent of borrowers had fallen into arrears with their monthly payments. Thus, there were no fresh funds to continue house building, and the de facto policy of not suing debtors disadvantaged regular payers. The situation had changed radically when monetary stability was restored. Nowadays policy was to try to increase the repayment rate through special programmes.

8. The largest section of the housing market was now financed through the National Housing Fund and the National Mortgage Bank, which gave loans not to individuals but to private or provincial banks which then managed the loans, taking on the financial risks and administrative costs involved. Mortgage financing was now on a very sound footing and the mortgage banks were able to issue bonds that fed into the system.

9. In the private sector, private bank credit was now very widespread but not yet sound enough to provide long-term loans. Previously loans had seldom been for longer than five years; nowadays there were revolving loans allowing an extension of the term on the same conditions. Interest rates were still relatively high at 15 per cent because operating costs in the banking system were still heavy. Bad debts from the period of inflation were still being absorbed but lower interest rates and longer loans would probably be introduced as the new loan arrangements got under way.

10. The Government was making special efforts to help the lower income groups with acute housing problems but without access to the National Housing Fund or the National Mortgage Bank, by means of special Federal Housing Department programmes. There was also a plan to grant title to property built by persons on land that did not belong to them and, through non-governmental entities such as local cooperatives, to construct self-build homes often on publicly-owned land.

11. In addition there was a strong self-build movement which had greatly improved the housing situation: neighbours helped to build each others' homes, often with assistance from the suppliers of building materials.

12. Provincial programmes were now growing in importance. Although Argentina had long had a federal structure, the provinces lacked experience in policy making and execution because the central Government managed the financial reserves. As democracy evolved, that situation had been reversed. More funds were being transferred to the provinces, but unfortunately the transfers had not been accompanied by an increase in the capacity of the provinces to administer them. An effort had been made to solve the problem by the formulation of projects financed by the World Bank to which provinces had access only if they satisfied certain requirements - for example, a land registry for the collection of property taxes and an adequate auditing system. Provincial staff were also being trained. Moreover, almost all schools, much of the health system, electricity distribution and irrigation management had been transferred to the provinces. There was no shortage of professionals - for instance, Argentina had more doctors per 100,000 inhabitants than many developed countries - but they were not distributed in accordance with needs.

13. The main problems encountered in the housing sector were that the action taken so far had been fragmentary and partial; there had been no plan for the identification of needs; policies had not been properly implemented; plans had been geared to supply rather than to demand; the level of public participation in deciding what solutions were needed had been low; investment productivity had also been low; and inter-institutional coordination had been poor, especially between provinces and municipalities.

14. Attempts had been made to rectify the situation through a global strategy for the elimination of the housing shortage over the next 15 years. New mechanisms had been established and arrangements had been made to grant loans to persons seeking housing instead of subsidizing construction. The annual investment needed to achieve the target would be 5,900 million pesos, equivalent to 3 per cent of GDP, to be supplied by private banks and the National Mortgage Bank, as well as by the central Government through transfers from the National Housing Fund. The new strategy did not provide for any subsidies, although the Housing Department had programmes which included explicit subsidies for persons unable to have access to the previous mechanisms.

15. The Government's interest in solving the housing problem was reflected in three bills currently before Parliament. One was the Housing and Construction (Financing) Bill, designed to promote the raising and use of private funds for housing and to provide house-purchase loans to persons qualifying for commercial bank loans but with a lower initial deposit, lower interest rates and longer repayment periods than those currently available on the market, thus increasing the number of persons who could be assisted by the private sector. Under the arrangement Fidecomiso institutions would be established or improved, particularly in the financial sector. Leasing would be introduced, real estate investment fund mechanisms developed, and mortgage arrangements revised.

16. The second bill was concerned with the amendment of current legislation on the use of the National Housing Fund. It guaranteed the continued existence of the Fund and provided for a minimum monthly level of assets of US$ 75 million and for automatic transfers to bodies carrying out provincial projects - a practice which had, in fact, been in force since mid-1992, with encouraging results because the greater freedom allowed in the use of funds had made it possible to increase their effectiveness. The bill also established an inter-institutional mechanism for coordinating housing policies in the form of the Federal Housing Council, consisting of representatives of the 24 provinces and of the central Government, which was responsible for auditing the use made of the funds. However, the most important change introduced was the creation of an obligation to ensure that 15 per cent of the National Housing Fund's annual resources were allocated to the provision of loans to persons wishing to build their own home.

17. The third bill related to the establishment of the National Housing Emergency Programme, providing the Federal Housing Department with approximately 100 million pesos with which to solve problems that had not been taken care of so far, especially with regard to the repair, extension or completion of housing units. Differing circumstances required different solutions. At present two fifths of the total housing shortage was accounted

for by dwellings that had problems which could be overcome by the action contemplated in the bill. The anticipated mechanism would channel loans to families who had no access to commercial banks because their incomes were too low or because they could not provide security. The action already initiated to regularize the property status of dwellings in relation to the land on which they were built would be continued. That problem, at its height, had affected approximately 700,000 families that had built their dwellings on publicly owned land. It was also planned to use part of the funds to improve the connections between shanty towns and the urban areas to which they were attached, with a high level of participation by the communities concerned which would enhance their level of social organization and self-esteem. Experiments along those lines had already been carried out, with successful results, in shanty towns in Rosario and Tucuman, and they would be extended to other parts of the country.

18. The Federal Housing Department had also initiated certain programmes that focused on cases of extreme poverty, designed for persons whose cultural or social condition did not allow them access to other institutional solutions. A special programme was under way to meet the needs of indigenous ethnic groups in the north-west and north-east. In addition to providing them with decent housing, an effort was being made to develop their professional capacities, especially in trades related to the construction industry.

19. Moreover, there were sectoral financing arrangements for infrastructures and services, as well as a specific programme for provinces, supported by the World Bank and by local counterpart payments which made it possible to extend and improve provincial facilities. There was also a national sewerage network construction programme, which had already received more than US$ 1,000 million in the form of successive loans from the Inter-American Development Bank and the Bank of Argentina, and of funds supplied by the central Government. Such developments were essential for solving the housing problems of population groups living far from the main population centres. To improve the infrastructural facilities controlled by municipalities, the Federal Housing Department had arranged two further loans from the World Bank, each of US$ 300 million. It would thus be possible for municipalities which so desired to build pavements, recreation and sports centres, to maintain their roads, and to install street lighting and sewerage systems and treatment plants. There was also a special allocation of US$ 700 million to improve the infrastructure of Greater Buenos Aires, most of which had already been used.

20. Mr. TEXIER noted that the 1991 census indicated that the number of persons living in substandard housing amounted to 15 million, equivalent to 47.5 per cent of the population, that only 37 per cent of dwellings were reported to have the usual services such as sewage disposal and running water, and that the average number of occupiers per dwelling was 4.8. Those were serious problems, and he would like to know what plans there were for solving them and how long it would take.

21. Evictions, such as that from the Bodega Giol, represented a serious problem in Argentina, particularly in connection with the clearance of shanty towns. Figures indicated that in Buenos Aires alone 51,000 persons lived in shanty towns. In many cities squatters lived in abandoned buildings in very precarious circumstances. The President of the Republic had stated that the

problem had become a social danger and that evictions were necessary. Instructions had been given to that effect. It was important to know what choice was being made. Were solutions being sought for the 150,000 homeless persons, or were they to be expelled from the buildings which they had illegally occupied? Squatting was also common in Paris, where every eviction posed enormous problems and the authorities were being increasingly obliged not to carry out evictions, but to find solutions.

22. According to newspaper reports, the evictions from the Bodega Giol had begun on 4 October 1994, and that police operations had cost an estimated $900,000. The information had come from the Argentine branch of Servicio Justicia y Paz and had been signed by the Argentine Nobel Peace prize winner Adolfo Pérez Esquivel. Even if the cost were lower, the result was that 1,010 people had apparently been evicted from their homes, 700 of whose present whereabouts were unknown and 323 of whom were living in hotels. These included large families and caused problems for schooling as well as family destabilization and the loss of personal effects. The situation was obviously a difficult one requiring an urgent solution. The Government's promise to provide 30 days' free housing in hotels had reportedly not been kept. He asked whether, in the case of forced evictions from empty premises, a medium- or long-term solution should not first be found. Even if the reported cost was exaggerated, he asked whether it was not preferable in both economic and human rights terms to find medium- or long-term housing for them than to have them on the streets with families dispersed and serious social trauma arising.

23. Mr. SANCHEZ ARNAU (Argentina) asked if Mr. Texier was speaking of another country when he said that 47 per cent of the population lived in inadequate housing conditions and 37 per cent had no access to clean water or sanitation. Those figures were not realistic. He asked Mr. Texier to provide the documents on which he had based his information so that the Government could respond. The suggestion that evictions had been carried out by the police was impossible, although in some cases they did intervene.

24. Mr. TEXIER said that if the Government's report had provided the complete information requested on article 11 the debate would have been different. According to the non-governmental organizations, the figures cited had been provided by the Office of the Under-Secretary for Housing; if those figures were wrong the Government should correct them. In addition, he had confidence in information from Mr. Esquivel, who lived in Buenos Aires and had sheltered homeless families.

25. Mr. SANCHEZ ARNAU (Argentina) said that the figures and information were, if not fanciful, then at least inaccurate.

26. Mr. SIMMA said he shared the concerns of Mr. Texier, especially with regard to the Bodega Giol, and asked the Government to clarify that concrete example of a forced eviction. The representative of Argentina had given the impression that he lived in a country other than that described by the non-governmental organizations. The rent law authorized owners to increase rents up to 12 per cent a year, which was twice the rate of inflation, while salaries remained fixed. He asked whether this made it difficult for the poorest segments of the population to enjoy their right to adequate housing

and wondered what measures had been adopted to protect tenants, especially with regard to rent increases. He asked whether it was true that in order to obtain private credits for housing, applicants must have a salary of at least 1,500 pesos per month, whereas the average salary was about 700 pesos per month. That suggested that credits were probably not available to most of the population. He asked the Government to provide more details on the support it was giving to housing for the poorest segments of the population, on the proportion of the population comprising the low-income segment and on the bonds being used to help them.

27. Mrs. BONOAN-DANDAN asked on what terms the banks would begin providing low-interest loans for financing new homes and what would be done for people who did not meet the terms, including minimum income requirements. She asked what measures were presently in place to promote access to adequate housing by the lowest income segment of the population, and what percentage of the national budget had been allocated to assist them.

28. Mrs. IDER said that although it was the Government's policy to provide loans for housing construction, the World Bank had recommended that funds for housing should be transferred to private financial institutions; that facilitated access to funding by the middle class and provided greater security to the construction industry. She asked for details on how housing funds were being provided to the different segments of the population based on income. If the Government were now decentralizing finances, enabling the local authorities to decide how to spend their resources, she wondered whether that did not permit provincial governments to manage funds on the basis of partisan politics, and what measures if any were being taken to prevent such an occurrence. She asked what the Government's approach was to providing housing for the poorest, whether it recognized the existence of slums and whether it had statistics on the numbers or percentages of people living in such areas.

29. Mr. GRISSA said that the initial report of Argentina (E/1990/5/Add.18) was incomplete and that the representative of Argentina had supplied oral information with an abundance of statistics which were difficult to follow. If the Committee then obtained the data elsewhere, it was accused of being fanciful, incorrect and so forth. Perhaps Argentina should submit a supplementary report. The present misunderstanding could not be laid at the Committee's door; the Government of Argentina was to blame.

30. Mrs. JIMENEZ BUTRAGUEÑO said she agreed about the dearth of information on articles 9 and 11 of the Covenant. She asked how rents were set for the poor segments of the population who were already coping with 12 per cent inflation.

31. Mr. CEAUSU noted that in 1991, according to the official census, there had been a need for 750,000 housing units for approximately 3 million people. He asked how many units had been built in 1992 and 1993 and how many people had moved into them.

32. Mr. SANCHEZ ARNAU (Argentina) agreed that the report lacked information with regard to specific articles of the Covenant and said the Government would submit a written reply to the questions. The information requested by

Mr. Ceausu could be provided in the supplementary report and broken down by province. There were four levels of government policy action on housing: the National Mortgage Bank, the National Housing Fund, a series of loans by the Inter-American Development Bank and the World Bank for financing urban infrastructure and housing, and the property plan developed to solve problems related to the ownership of land on which housing was built. The Office of the Under-Secretary for Housing had a plan for housing for the poorest which was already being executed. As to some of the information referred to by members of the Committee, his Government could respond only to the reality as they knew it. With respect to the most vulnerable segments of the population, the property plan covered 473,000 people or 110,170 families who had obtained the titles to the land on which they had built their homes. Under the programme, some 25 million m^2 was being developed for land ownership, and that was just a small part of the total scope of the property plan. The bonds in question had been placed by the National Mortgage Bank on the capital market and the yield passed on to private banks which gave mortgage loans. The bank's interest rate was lower than that of the commercial banks, which helped to lower mortgage interest rates.

33. The rent law had a clause concerning rent increases, but it did not set them at 12 per cent annually; in fact, it prohibited any such indexing and also included other guarantees, such as a minimum lease of two years. The reference to 12 per cent concerned the maximum rent increase allowed when a lease was renewed or for a change of tenant. Thus, the Rent Act protected tenants, it did not punish them.

34. One of the members of the Committee had expressed concern that the provincial governments might make credit available only to their political supporters. He found it difficult to imagine such forms of political patronage in a State of law. What was more, the opposition was in power in a number of provinces, making any such political favouritism all the more unlikely. Isolated cases were usually reported to the police and those responsible severely punished.

35. He then reviewed briefly the history of the Bodega Giol case. The building concerned, originally a warehouse, had been privatized, after which it had been gradually occupied illegally. He recalled that even in Paris, homeless people slept under bridges. In the case of Bodega Giol, the persons illegally occupying the building had been unable to find housing. Many of them had been in very poor health. Some had engaged in criminal activities, although he did not mean to suggest that they had all done so, not by any means. In September, an attempt had been made to conduct a census to determine the situation of the squatters and try to find a solution. The squatters had prevented the census-takers from entering the building, and thus it had been impossible to know how many of them had been present, although one estimate had spoken of some 1,000 persons. The squatters had included a large number of persons without documents and illegal immigrants who had not taken part in the recent campaign in which 450,000 foreigners had had their status legalized. Action had then been taken, not by the police or the army, but by some 75 social workers and 60 administrators. They had succeeded in persuading 504 persons to agree to be sent to hotels, paid for during the

first 30 days by the local authorities. Another 41 persons had been sent to homes and institutions and 44 had been transferred to places of their choice. A smaller number of squatters had declined assistance.

36. Bodega Giol had become a problem for the entire neighbourhood. A long-term solution was being sought. Although many people in Argentina were living in emergency housing, total figures certainly did not amount to 47 per cent of the population.

37. Mr. CEAUSU thanked the representative of Argentina for his useful and enlightening presentation. He would have liked to see specific figures, for example on article 10, so as to be able to ascertain whether the Government of Argentina had made progress in the various fields concerned.

38. He himself had been brought up under a totalitarian regime and he remembered that he had been taught to reject any hint of criticism from other countries. With the return to democracy came a need for openness about past failures and erroneous policies. Only then could action be taken to improve the social situation. The Committee did not intend to sit in judgement on the Government of Argentina, but was merely attempting to form its own opinion on the situation in the country after the departure of the dictatorship and given the problems that had been building up over decades. The Committee understood that the legacy of the past made the search for solutions to current problems all the more difficult.

39. Mr. TEXIER said that on Monday, 21 November, he had asked the secretariat to ensure that all documents of NGOs were made available to Governments. In the case of Argentina, his request had clearly not been met. It was most disagreeable for the representative of Argentina to have to hear comments made by the members of the Committee on the basis of a document that he had not seen, and it was equally unpleasant to be accused by the representative of Argentina of presenting fanciful figures when he had very detailed tables in the document available to him.

40. He was well aware that in Paris and elsewhere persons slept under bridges; the point was that as a judge, he had on occasion given judgements concerning expulsions in which he had made specific reference to article 11 of the Covenant.

41. He welcomed the proposal of the representative of Argentina to present a second report on articles 9 and 11; in drafting the report, the delegation of Argentina might find it useful to refer to the revised general guidelines regarding the form and contents of reports (E/C.12/1991/1).

42. The CHAIRPERSON said that according to the Secretary of the Committee, the document referred to by Mr. Texier had, in fact, been made available to the delegation of Argentina.

43. Mr. SANCHEZ ARNAU (Argentina) began by expressing his appreciation to Mr. Ceausu for his remarks. His sole interest was to reflect Argentine reality, and that reality was one of poverty and wealth and a legacy of totalitarianism. Concerning Mr. Ceausu's request for figures on article 10, he said that he had statistics on the percentage of the population being

assisted under various programmes and the amounts allocated yearly under each of them. He would make those statistics available to Mr. Ceausu at the end of the meeting.

44. Turning to issue No. 22 of the list of issues (E/C.12/1994/WP.10), he said that his Government was actively working to prevent the spread of AIDS and to encourage safe sexual practices. In April 1994, there had been 3,926 cases of AIDS registered, 10.5 per cent affecting persons under 19 years of age. The National Council for Juveniles and the Family had an HIV prevention programme and also worked to control hepatitis B, other sexually transmitted diseases and tuberculosis. Measures had been taken to provide assistance to the families affected and to reintegrate persons with the HIV virus into the labour force. Other activities included efforts to improve the general health of the population, epidemiological control, the training of professionals and non-professionals, information campaigns and research projects.

45. In 1987-1988, 53 per cent of intravenous drug users had had the HIV virus, as against only 2.3 per cent of drug users who did not inject drugs. On the basis of those data, the prevention and control programme had launched an education campaign and was working to ensure that persons found to have contracted the virus were informed confidentially in order to avoid discrimination. By 1992-1993, the infection had declined among intravenous drug users to 32.4 per cent, but had increased to 4.3 per cent among drug addicts who did not inject. That suggested a greater difficulty in preventing the spread of the disease through sexual contact.

46. Mr. WIMER ZAMBRANO, speaking on a point of order, said that in view of the time constraints, the Committee should decide whether it wanted to conclude its consideration of the report of Argentina.

47. Mr. GRISSA said that the delegation of Argentina should be asked to communicate the figures that it had in writing, because it was impossible to digest statistics when they were provided orally.

48. Mr. TEXIER said that the Committee had not concluded its consideration of the report of Argentina and it must find time for the comments of members.

49. The CHAIRPERSON suggested that the delegation of Argentina might return on the following day, at which time members could ask any questions they might have on article 11.

50. Mr. SANCHEZ ARNAU (Argentina) said that his delegation had submitted a report and an additional report and was under the impression that it had responded to all the issues raised.

51. The CHAIRPERSON explained that it was the practice of the Committee, after the reply of Governments to the list of issues, for experts to ask questions and make comments as they saw fit. He requested the delegation of Argentina to return on the following day for that purpose.

The meeting rose at 1.10 p.m.